## SENATE BILL REPORT SB 6656

As Reported By Senate Committee On: Technology & Communications, February 2, 2004

**Title:** An act relating to the Washington telephone assistance program.

**Brief Description:** Revising the Washington telephone assistance program.

**Sponsors:** Senators Schmidt and Esser; by request of Utilities & Transportation Commission and Department of Social and Health Services.

## **Brief History:**

**Committee Activity:** Technology & Communications: 2/2/04 [DPS].

## SENATE COMMITTEE ON TECHNOLOGY & COMMUNICATIONS

**Majority Report:** That Substitute Senate Bill No. 6656 be substituted therefor, and the substitute bill do pass.

Signed by Senators Schmidt, Chair; Esser, Vice Chair; Berkey, Eide, McCaslin, Poulsen and Stevens.

**Staff:** William Bridges (786-7424)

**Background:** Established in 1987, the Washington Telephone Assistance Program (WTAP) is operated by the Department of Social and Health Services (DSHS) and the Washington Utilities and Transportation Commission (WUTC). It provides low-income households with a reduced monthly charge for local exchange service, discounts on connection fees and community service voice mailboxes, and waivers of deposits for local exchange service. WTAP works in conjunction with a federal low-income program that is supported by the Universal Service Fund.

DSHS verifies client eligibility for WTAP. Households are eligible if they have an adult recipient of one or more types of public assistance administered by DSHS. Under existing rules, WTAP clients pay a uniform rate of \$8 a month for local exchange service.

DSHS also administers the WTAP fund and reimburses telephone companies that provide WTAP services. Under current rules, the WTAP fund reimburses up to \$19 per household to participating companies. About 30 telephone companies participate in the program.

The WUTC sets the excise tax which funds WTAP. The excise tax is limited by statute to no more than 14 cents on all switched telephone lines in the state. The excise tax does not apply to wireless companies. The current excise tax is set at 13 cents and is collected from about 75 telephone companies.

**Summary of Substitute Bill:** DSHS must convene a work group to review the current structure and funding of WTAP. The work group must consist of representatives from

Senate Bill Report - 1 - SB 6656

telecommunications providers, OFM, WUTC, the Office of Public Counsel, and community action agencies. DSHS must report to the Legislature by December 2004.

Current language in the WTAP intent section is updated.

Substitute Bill Compared to Original Bill: The original bill was not considered.

**Appropriation:** None.

Fiscal Note: Available.

**Effective Date:** The bill takes effect on July 1, 2004.

**Testimony For:** None.

**Testimony Against:** None.

**Testified:** No one.

Senate Bill Report - 2 - SB 6656